

U.S.-Singapore FTA - Textiles and Apparel

**Review and Revision of Rules of Origin**

1. A) On request of either Party, the Parties shall consult to consider whether particular goods should be subject to different rules of origin to address issues of availability of supply of fibers, yarns or fabrics in the free trade area.

B) In the consultations, each Party shall consider all data presented by a Party showing substantial production in its territory of the particular good. The consulting Parties shall consider that substantial production has been shown if that Party demonstrates that its domestic producers are capable of supplying commercial quantities of the good in a timely manner.

C) The Parties shall endeavor to conclude consultations within 60 days of the request. An agreement between the Parties resulting from the consultations shall supersede any prior rule of origin for such good when approved by the Parties in accordance with Article XX (Amendments).

2. A) The Parties shall review the rules of origin applicable to textile and apparel goods upon request of either Party to take into account the effect of increasing global competition on textile and apparel goods and the implications of the integration of textile and apparel goods pursuant to the WTO Agreement on Textile and Clothing. The Parties shall give particular consideration to operative rules in other economic association or integration agreements and developments relating to textile and apparel production and trade.

**B) The Parties shall review the rules of origin applicable to textile and apparel goods upon request of either Party to take into account the implications of the eventual harmonization of rules of origin pursuant to Part IV of the WTO Agreement on Rules of Origin.**

**De Minimis**

A good provided for in Chapter 50 through 63 of the Harmonized System that does not originate because certain fibers or yarns used in the production of the component of the good that determines the tariff classification of the good do not undergo an applicable change in tariff classification set out in Annex XX, shall nonetheless be considered to originate if the total weight of all such fibers or yarns in that component is not more than seven percent of the total weight of that component. Notwithstanding the preceding sentence, a good containing elastomeric yarns in the component of the good that determines the tariff classification of the good shall originate only if such yarns are wholly formed in the territory of one of the Parties.

## **DRAFT**

### **U.S.-SINGAPORE FREE TRADE AGREEMENT**

#### **Article 99: Preferential Tariff Treatment for Non-Originating Goods of Singapore**

The United States shall apply the rate of duty set out in Appendix X, up to the annual quantity specified in Schedule 1, in SME, to cotton or man-made fiber apparel goods provided for in Chapters 61 and 62 that are both cut (or knit to shape) and sewn or otherwise assembled in Singapore from fabric or yarn produced or obtained outside the free trade area, and that meet the other applicable conditions for preferred tariff treatment under this Agreement. The SME shall be determined in accordance with the conversion factors set out in Appendix Z. This article shall not apply, and no TPL will be available, beginning in the ninth year this agreement is in effect.

#### **Appendix X**

The United States shall eliminate its customs duties on cotton and man-made fiber apparel goods described in Article 99 in five equal annual stages beginning on the date this Agreement enters into force, and such goods shall be duty-free, effective on the first day of the fifth year this Agreement is in effect.

#### **Appendix Z**

##### **Conversion Factors**

1. This Schedule applies to tariff preference levels applied pursuant to Article 99.
2. The following conversion factors shall apply to the goods covered by the following U.S. categories:

<b>U.S. Category</b>	<b>Conversion Factor</b>	<b>Description</b>	<b>Primary Unit of Measure</b>
237	19.20	PLAYSUITS, SUNSUITS, ETC	KG
239	6.30	BABIES' GARMENTS & CLOTHING ACCESS.	KG
330	1.40	COTTON HANDKERCHIEFS	KG
331	2.90	COTTON GLOVES AND MITTENS	KG
332	3.80	COTTON HOSIERY	KG
333	30.30	M&B SUITTYPE COATS, COTTON	KG
334	34.50	OTHER M&B COATS, COTTON	KG
335	34.50	W&G COTTON COATS	KG
336	37.90	COTTON DRESSES	KG

338	6.00	M&B COTTON KNIT SHIRTS	KG
339	6.00	W&G COTTON KNIT SHIRTS/BLOUSES	KG
340	20.10	M&B COTTON SHIRTS, NOT KNIT	KG
341	12.10	W&G COTTON SHIRTS/BLOUSES,NOT KNIT	KG
342	14.90	COTTON SKIRTS	KG
345	30.80	COTTON SWEATERS	KG
347	14.90	M&B COTTON TROUSERS/BREECHES/SHORTS	KG
348	14.90	W&G COTTON TROUSERS/BREECHES/SHORTS	KG
349	4.00	BRASSIERES, OTHER BODY SUPPORT GARMENTS	KG
350	42.60	COTTON DRESSING GOWNS, ROBES ETC.	KG
351	43.50	COTTON NIGHTWEAR/PAJAMAS	KG
352	9.20	COTTON UNDERWEAR	KG
353	34.50	M&B COTTON DOWNFILLED COATS	KG
354	34.50	W&G COTTON DOWNFILLED COATS	KG
359	8.50	OTHER COTTON APPAREL	KG
630	1.40	MMF HANDKERCHIEFS	KG
631	2.90	MMF GLOVES AND MITTENS	KG
632	3.80	MMF HOSIERY	KG
633	30.30	M&B MMF SUITTYPE COATS	KG
634	34.50	OTHER M&B MMF COATS	KG
635	34.50	W&G MMF COATS	KG
636	37.90	MMF DRESSES	KG
638	15.00	M&B MMF KNIT SHIRTS	KG
639	12.50	W&G MMF KNIT SHIRTS & BLOUSES	KG
640	20.10	M&B NOTKNIT MMF SHIRTS	KG
641	12.10	W&G NOTKNIT MMF SHIRTS & BLOUSES	KG
642	14.90	MMF SKIRTS	KG
643	3.76	M&B MMF SUITS	KG
644	3.76	W&G MMF SUITS	KG
645	30.80	M&B MMF SWEATERS	KG
646	30.80	W&G MMF SWEATERS	KG
647	14.90	M&B MMF TROUSERS/BREECHES/SHORTS	KG
648	14.90	W&G MMF TROUSERS/BREECHES/SHORTS	KG
649	4.00	MMF BRAS & OTHER BODY SUPPORT GARMENTS	KG
650	42.60	MMF ROBES, DRESSING GOWNS, ETC.	KG
651	43.50	MMF NIGHTWEAR & PAJAMAS	KG
652	13.40	MMF UNDERWEAR	KG

653	34.50	M&B MMF DOWNFILLED COATS	KG
654	34.50	W&G MMF DOWNFILLED COATS	KG
659	14.40	OTHER MMF APPAREL	KG

### Schedule 1

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year8
25,000,000	21,875,000	18,750,000	15,625,000	12,500,000	9,375,000	6,250,000	3,125,000